Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

NFAC 5276-79
2 October 1979

Memorandum for DD/NFA

Subject: Theory and Practice of NIEs, SNIEs, and IIMs

1. The attached study responds to your memorandum on the same subject to the Panel of 22 August 1979. The study makes certain propositions (assumptions), arrives at some findings and makes specific recommendations, all of which are discussed in enough detail to make clear the rationale behind them. Our recommendations include a set of possible new definitions for publications.

2. We believe that our recommendations, if adopted, will:

a. Provide guidance for both management and analysts.

b. Place the responsibility--for making choices with respect to the art forms to be utilized where it belongs--on managers rather than analysts.

c. Provide management and analysts with the latitude and flexibility they need to carry on their estimative work.

3. Whatever approved version you decide upon, we suggest you consider disseminating not only the definitions but also the rationale for them along the lines found in this study.

BP
Bruce Palmer, Jr.

KK
Klaus Knorr

WL
William Leonhart
(in draft)

Attachment:
As stated

DERIVATIVELY BY SIGNERS
☐ DECL XX REVW ON 2 Oct 1985
DERIVED FROM

ALL PORTIONS ~~ARE~~ CLASSIFIED CONFIDENTIAL

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Interagency Intelligence Assessments: Concepts and Practices

I

Introduction

1. This memorandum responds to a request by DD/NFA for an examination by the Senior Review Panel of the major instruments of interagency intelligence assessments. The request noted that Agency practice is not uniform; that different members of the Intelligence Community subscribe to conflicting concepts about the distinction among NIEs, SNIEs, and IIMs; that this unsettled state of affairs is confusing, productive of unnecessary delays, and militates against the effective use and impact of these formats. The Panel was asked to examine previous definitions; clarify the pros and cons of alternative practices; and, as a basis for subsequent discussions within NFAC and the Community, forward suggestions or advice on how the problem might be resolved.

2. The Panel's views follow in a set of:

a. Propositions, which make explicit a few basic assumptions of our review;

b. Findings, which lead us to a conclusion that Community production has been unduly de-emphasized, both inside and outside the Agency, in the past five years or so; that the formal instruments of interagency intelligence have become less relevant to the policymaking process; and that a consequent decline in estimative intelligence capabilities may be accelerating; and

c. Recommendations, which present a number of options for dealing with these matters.

II

3. Initial Propositions

a. A central function of the DCI, assisted by the DD/NFA, is to assure interagency production of broad predictive assessments of foreign developments that could affect existing US policies, impact significantly on US interests, or create major new problems or opportunities for US policymakers and force planners.

ALL PORTIONS ARE ~~CLASSIFIED~~ CONFIDENTIAL

DERIVATIVE CL BY SIGNERS
☐ DECL XX REVW ON 2 Oct 1985
DERIVED FROM

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

The case for the proposition is at least as old as the Agency itself. It is inherent in statutory responsibilities to "correlate and evaluate"; implicit in an effective relationship between intelligence and policy; inseparable from the primary intelligence function--avoidance of surprise. Adequate execution of this responsibility will in large part determine the value, reputation, and prestige of the Agency and of NFAC.

b. The instruments of interagency intelligence--the art forms--are matters of design and definition. But the design and the definitions derive from and reflect much wider contexts of policy formulation processes, institutional arrangements, Executive organizational style, and Community practice, all of which may be subject to cyclical variations.

The instruments--and their use, nomenclature, formats, and content have in fact varied widely throughout the years. Old forms have disappeared; some have survived; others have emerged. Varying, practice has created still newer molds. The art forms are neither sacrosanct nor immutable, but they are workable only in their institutional contexts. The central factor is less a matter of the definition of the instruments than of Community consensus--or lack of clarity--on how best to satisfy policymaker wants and the needs, which may not be entirely synonymous. However, definitions are useful, if not indispensable, to management in shaping consensus in a fruitful direction.

c. The basic decision in the management of intelligence resources is not whether support for policymakers should be offered but how. The decision involves not only the choice of art forms and the role of estimative intelligence but such variable matters as readability, precise format, control of analytic quality, coordination, and execution time. Of these, the key issue is probably appropriate balance between interagency and agency production.

Some of these matters are within NFAC's span of control and direction; others less so. None of them may be beyond NFAC's influence. They involve a number of factors beyond the scope of this paper, such as

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

improved longer-range planning processes, more efficient Community coordination procedures, analyst competence and incentives. So far as present subject matter is concerned, the primary requirements in the period immediately ahead are greater clarity about both the aims of interagency intelligence and the instruments to achieve them.

III

4. Findings

a. Apart from the definition of "National Intelligence" itself, no agreed official definitions now exist for the four major instruments of interagency intelligence--NIEs, SNIEs, IIMs, and Alert Memoranda.*

DCID 1/2 dated 17 February 1972 defines "National Intelligence" as "that intelligence required for the formulation of national security policy, concerning more than one department or agency, and transcending the exclusive competence of a single department or agency." The Panel sees no reason for revision.

For the three art forms treated in this study, the most authoritative definitional guidance is probably contained in a USIB Publication, officially issued under a USIB directive, "A Guide to the National Intelligence Community's Production Organizations and Their Products", dated October 1975. There is no record of NFIB validation, and much of its collatoral material is dated. The "Guide" notes at III-A National Estimates:

---

* Definitions for Alert Memoranda may be found in NFAC Notice No. 50-5, 12 March 1979, "Guidelines for Alert Memoranda". Present procedures appear to be well understood and effectively functioning. The Panel believes no new initiatives are now required for this instrument. Should a future revision be undertaken, there would appear to be advantages in having the guidelines issued as an NFIB document.

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

"There are four major types of estimative papers...

"National Intelligence Estimate (NIE)

The NIE is intended for NSC-level policymaking authorities. Topics selected for treatment in the NIE format are limited to those of high policy concern. The exposition is normally structured in such a way as to illuminate policy issues and, when appropriate, the choices which may be open to policy authorities. If back-up material is required, it is often published in separate annexes. NIEs are published by the DCI after approval by USIB."

"Special National Intelligence Estimate (SNIE)

SNIEs differ from NIEs in that they address specific policy problems immediately on the horizon. They are generally shorter and prepared more quickly than NIEs."

"Interagency Intelligence Memorandum (IIM)

The key difference between an IIM and other estimates is the fact that an IIM does not require USIB concurrence. The IIM is a coordinated effort of several agencies which addresses relatively broad and complex issues and is intended for a high-level audience."*

---

* The fourth major type of national estimative paper listed was the National Intelligence Analytical Memorandum (NIAM): "The NIAM is intended for officials involved in policy support activities below the NSC level. Topics selected for treatment in NIAMs are of important policy concern but usually do not have the high priority of NIE topics. The analysis and supporting evidence in a NIAM will normally be exposed in some detail. NIAMs are issued by the DCI generally after telephonic approval by the USIB". NIAMs had a short half-life, and proved of limited utility. Four were produced in 1973, their first year, and about a dozen in all of the five-year period of their existence. Their function was apparently absorbed by IIMs. The Panel detects no sentiment for their revival.

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

A supplementary set of definitions exists in another more recent publication: Intelligence Community Staff Publication (NFIB No. 24.1/18) "Glossary of Intelligence Terms and Definitions", dated 15 June 1978. According to the Executive Secretary, NFIB, this paper is regarded more as a guidebook, or training aid, than an official NFIB document. Among its definitions:

--"Estimative Intelligence: A category of intelligence which attempts to project probable future foreign courses of action and developments and their implications for US interests; it may or may not be coordinated and may be either national or departmental intelligence."

--"Intelligence Assessment: A category of intelligence production that encompasses most analytical studies dealing with subjects of policy significance; it is thorough in its treatment of subject matter--as distinct from building-block papers, research projects, and reference aids--but unlike estimative intelligence need not attempt to project future developments and their implications; it is usually coordinated within the producing organization but may not be coordinated with other intelligence agencies."

--"National Intelligence Estimate (NIE): A thorough assessment of a situation in the foreign environment which is relevant to the formulation of foreign, economic, and national security policy, and which projects probable future courses of action and developments; it is structured to illuminate differences of view within the Intelligence Community; it is issued by the Director of Central Intelligence with the advice of the National Foreign Intelligence Board."

--"Special National Intelligence Estimate (SNIE): National Intelligence Estimates (NIEs) which are relevant to specific policy problems

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

that need to be addressed in the immediate future. SNIEs are generally unscheduled, shorter, and prepared more quickly than NIEs and are coordinated within the Intelligence Community to the extent that time permits."

--"Interagency Intelligence Memorandum (IIM): A national intelligence assessment or estimate issued by the Director of Central Intelligence with the advice of appropriate National Foreign Intelligence Board components."

b. The present state of art form descriptions--including the lack of agreed official definitions--probably contributes to confusion and varying practice within the Community, particularly for IIMs, as to the purpose, form, and nature of interagency intelligence production.

Neither the 1975 Guide nor the 1978 Glossary suggests general guidelines for categories of NIEs, SNIEs, or IIMs as to preferred length, format, use of summaries, key judgments, treatment of dissent, or annex materials.

On NIEs, the Glossary is less explicit than the Guide on the estimative illumination of national policy issues. The Glossary, however, unlike the Guide, requires differences of view within the Intelligence Community to be presented and clarified.

On SNIEs, the Glossary states that SNIEs are coordinated within the Intelligence Community to the extent that time permits while the Guide does not explicitly mention this issue.

On IIMs, the discrepancies are more substantial and probably productive of greater confusion. The Guide lists IIMs under "major types of estimative papers" and states that the key difference between an IIM and other estimates is that the former does not require USIB concurrence. The Glossary notes that IIMs may be either national assessments or estimates--a distinction which may be, and has been, interpreted to mean that IIMs need not attempt to

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

conjecture about future developments and their implications for US policy, such estimative analysis presumptively being confined to NIEs and SNIEs.

c. Beyond formal definitions, custom and usage have endowed each of the major art forms with generally recognizable, if not universally accepted, characteristics.

The NIE is still probably regarded by a Community plurality as the most formal and authoritative expression of Community views, requiring DCI approval and NFIB participation. It is commonly accepted as policy-relevant and estimative. SNIEs were originally conceived as estimates additional to those listed in an approved USIB production schedule but in all other respects were apparently similar to NIEs. Such supplementary estimates generally concerned time-sensitive problems and when the USIB production schedules were discontinued, the convention was maintained that SNIEs were to be done under accelerated procedures, and time of intended completion became their distinguishing characteristic. IIMs originated in 1974 as a less formal interagency art form by which the Community could respond to intelligence requirements of lesser policy significance and which, accordingly, would not require formal DCI approval or NFIB consideration. As noted above, its substantive nature--assessment/estimate, recapitulative/predictive--remains largely undefined.

d. Production records show a steady drift away from NIEs/SNIEs and towards IIMs. Present production planning indicates a moderate reversal in this trend.

From 1950 to 1973 about 60-80 NIEs were published per year. (Sherman Kent has estimated that their production in the early years required six to eight weeks for the average NIE--with the big papers on the Soviet military establishment running to six or eight months. SNIEs were done under two "special procedures of haste"--urgent and exceptional*)

---

* S. Kent, "The Law and Custom of the National Intelligence Estimate", MS-12, February 1976.

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

During his tenure as DCI (February-July 1973) James R. Schlesinger revised the system, feeling that NIEs should be confined to the most important and policy-relevant matters only; that they should be very brief (no more than 10-12 pages); and that they should be mandatory reading for top policy-makers. This altered approach resulted in only about 20 NIEs in 1973 and the creation of the NIAM. (Only four NIAMs were produced in 1973, and the total of NIEs, SNIEs, and NIAMs for that year--roughly 25--represented a sharp drop in previous production.)

In the following five-year period, 1974-78, annual production of NIEs, SNIEs and NIAMs dropped to about 20 in 1974 and 1975, then to 10 and 15 for the years 1976 and 1977 respectively, and to an all-time low of seven in 1978.

The advent of the IIM, however, in 1974 compensated for the drop in NIEs and SNIEs. IIMs peaked with 47 in 1977 and averaged about 30-35 of the annual total of NIEs, SNIEs and IIMs over the five-year period.

Production for the first eight months of 1979 amounted to three NIEs, two SNIEs and 12 IIMs. Total production of all three art forms for the year is scheduled presently at 43 (17 NIEs/SNIEs and 26 IIMs).

e. The drift away from all interagency production (NIEs, SNIEs, IIMs) toward NFAC finished intelligence products and typescript memoranda appears more pronounced.

The Panel has been unable to obtain, within the time limits of this study, coordinated NFAC production statistics. A 1977 compilation by PPG shows (for ORPA, OER, and OSR alone) 213 Intelligence Assessments/ Research Papers and 1177 typescript memoranda. An all-NFAC listing for 1978 totals 255 IA/RPs and 1447 typescript memoranda.

These totals are roughly comparable with those in another NFAC study covering 1 January 1978 to 20 September 1979 which disclose for this period 17 NIEs, 47 IIMs, 16 Alert Memoranda, 429 Intelligence

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Assessments, 216 Research Papers, 23 Reference Aids, and 1661 typescript memoranda.

Similarly, statistics apparently are not available on the number of PRM submissions, NFAC Office inputs into draft policy studies conducted by other departments or agencies, or the number of typescripts prepared for NSC Staff or other policy analyses. It is our impression that their number is large and probably increasing.

f. If the key problem of the IIM is confusion of purpose and lack of an agreed definition, the rising numbers of typescript memoranda are open to even more question.

The typescript may have conveniences for the policy consumers. It is targeted, direct, and quick. It may have advantages for the analyst. It is drafter-attributable, service-minded, free from the trammels of extended review and coordination. But there are major weaknesses. The PRM process converts intelligence judgments into draft inputs subject to revision and selectivity, and deprives policymakers of independent or undiluted intelligence assessments. Normally, typescripts are not coordinated or thoroughly reviewed. Their increasing use may, in the Panel's view, further undermine the more carefully constructed instruments of interagency intelligence, lowering the acceptability and utility of the latter to policymakers and acting as disincentives to more formal and comprehensive estimative work.

g. The main technical problems thus concern lack of clarity about the nature of the IIM and a current predisposition towards typescripts as an appropriate vehicle for projections of intelligence judgments on foreign developments and illumination of policy issues. These, and a number of ancillary issues which bear on interagency intelligence production, are treated in the recommendations which follow.

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

IV

5. Recommendations

a. On balance, we believe there is no present need for additional interagency art forms. NIEs, SNIEs, IIMs, and Alert Memoranda bracket the field sufficiently well.

Discussion:

Basic problem is to achieve an agreed understanding as to the appropriate use of each of these forms; and to decide on the proper form to use in each instance. Introducing new or additional styles would not in itself solve the problem and might further complicate it. Introducing new forms would be time-diverting, possibly disruptive, and unlikely to produce benefits worth the cost of the effort.

Regarding IIMs, a new art form--conceivably called Interagency Intelligence Forecast--could distinguish estimative analyses of lesser policy issues, from IIMs which would then be reserved for more static assessments of critical current situations (North Korea Order of Battle, Soviet Brigade in Cuba, etc.). However, the Panel believes that most IIMs will not satisfy their assessment responsibilities unless they conjecture about likely sequels and attempt to estimate implications for US policies or interests. They should therefore not be considered different in these respects from NIEs and SNIEs. The NIE/IIM choice depends on the scope of the question to be addressed, and not on the preference and convenience of the drafter.

b. We believe that a set of clear definitions would do away with current confusion and uncertainty and, as a management tool, would help in controlling the structure and quality of different art forms. However, we do not feel that formal Community-agreed definitions are desirable at this time. Rather, we recommend that a set of definitions, an illustration of which is attached, be published as an NFAC guideline or Notice, circulating it for information to NFIB member agencies.

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Discussion:

Process would be time-consuming, probably disputatious, and doubtfully rewarding. Choice of instruments depends on management and direction more than on definitions. NFIB action to validate 1975 "USIB Guide" decisions might possibly serve as well in dispelling confusion and promoting Community consensus.

New definitions might revivify Community process, stimulate renewed interest, and emphasize importance of interagency production.

c. We believe better management controls are required for the proper selection of subjects for interagency intelligence production. These procedures should envision greater policy/user participation at each production stage. The primary responsibility should be carried by the NIOs.

Discussion:

The production burden falls largely on NFAC. And NFAC should satisfy itself that proposed subjects are within its capacities, and are of broad national interest, and are capable of being met without serious disruption of established production schedules--or if dislocations are inevitable that there is agreement of how production priorities are to be arranged. Desired results will include possible reduction of less essential analytic work and coordination time as well as more meaningful planning bases. However, some possible diminution of analyst initiative could result if some flexibility is not built into the production process.

d. We believe that efforts should now be made to reverse the production trend away from IIMs and towards NIEs.

Discussion:

There is little consistency in present practice. An examination of recent and proposed production suggests no clear basis for the choice between NIEs and IIMs (e.g., an NIE on Turkey's Futures vs. an IIM on the Nordic Situation).

We assume that the preference for IIMs over NIEs reflects not so much subject matter as a desire to reduce or avoid the problems of coordinating a Community intelligence product that will be considered by NFIB--a consideration which would seem to apply still more strongly

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

in a preference for typescripts. NIEs tend to elicit more concern, interest and effect in the several components of the Community (and their principals). This is reflected in more senior levels of participation in the coordination process and tends to make it more time-consuming and more exacting for the drafters. Moreover, coordination often induces compromises that lead to a diluted paper lacking strong estimative thrust.

These are significant objections. Yet there are also significant advantages in the NIE process. It may be important to policy consumers to know that they are receiving a national estimate that reflects the most considered judgments of the Community as a whole and has the endorsement of the DCI. The engagement of both policy and Community representatives in the process of production may achieve even as much as the document itself in the estimative purpose of informing policy-makers. Further, a higher level of NIE production may stimulate and assure a greater supply of dedicated estimative resources throughout the Intelligence Community--a condition which is still being maintained for military estimates, where the use of NIEs is customary. For the non-military estimates, both capabilities and commitments within the Community have diminished as NIE production has shrunk, and it may well be timely to try to reverse this reciprocal causation.

Decision on the choice of art forms cannot be taken in the abstract. It is a judgment depending on each particular estimative task. The Panel's view would be that an NIE is generally to be preferred when the subject has policy implications of a high order, when substantive competence is spread over several components of the Intelligence Community, and when quick production is not at a premium. A SNIE is to be preferred on a subject that has the first two characteristics but demands speedy or accelerated production. And an IIM is to be preferred for subjects which do not raise policy issues of the highest order, for tasks where competent resources are more highly concentrated, and where time may be at somewhat greater premium.

Under present practice a great many IIMs do in fact focus on estimative problems that raise policy issues of

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

high importance, and they should be done as NIEs if the foregoing distinctions are valid. Decision to do so would obviously require some revivification of estimative resources in NFAC and in the Community.

e. We also favor some reversion of the trend toward typescripts.

Discussion:

These have considerable virtues. They can be flexibly managed, quickly done, and are often responsive to consumer demand. As noted, however, they escape proper review and coordination and claim resources at the expense of interagency production. They also run the risk of making the intelligence function unduly subservient to the policymaker.

f. Accordingly, we believe that NFAC should now systematically explore a number of new arrangements which would enhance estimative capabilities. These are both organizational and procedural. Specifically:

(1) Dedicated Resources. The Panel would favor the establishment of some dedicated estimative resources. These could be decentralized in the various Offices, or pooled, or attached to the NIO structure either as additional A/NIOs or as a separate group. Brought together as a single group, its members should be on rotational assignments from the NFAC Offices. But it seems to us worth testing whether the aim of producing analysts equally proficient in research, current intelligence, and estimative work might not experimentally be attacked by consecutive rather than concurrent assignments.

(2) Collegiality. Estimative intelligence and policy implication analysis impose not only cross-disciplinary requirements but informed criticism and review by a mix of generalists and specialists. Whatever the merits or the weaknesses of the old BNE, its departure meant a loss of collegial consideration which in general the

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

present NIO structure has not replaced. The Panel believes that future operation of the NIO system should provide for more collegial consideration of NIEs/SNIEs and the more important IIMs.

(3) Independent Review. The Panel believes, perhaps not unnaturally, that the present arrangement with an independent off-line Senior Review Panel has demonstrated advantages of some importance. Overall, we think the concept itself has been useful and can be of added service in monitoring the changes in emphasis and direction this memorandum suggests.

g. Additionally, there are a number of procedural changes which we think might be experimentally undertaken in improving or streamlining present interagency intelligence processes. Among them are:

(1) Concept Papers. The institution of the concept paper seems to us to be definitely worthwhile. Its main value has been to clarify at the outset--between management and analysts--the aims of a proposed paper, what senior policymakers can expect to gain reading it, and the approach to be followed. We believe it worth exploring the desirability of developing the concept paper and terms of reference concurrently.

(2) Formats. The Panel does not believe that single or uniform models for NIEs/IIMs should be sought. We do think there is a good case for circulation of DD/NFA guidelines on the general aims and shape of estimates. Such guidelines might well (a) specify the preferred use of summaries and key judgments; (b) emphasize that good drafting form proceeds immediately to analysis; that the use of history, description, current events should be limited to whatever is required to illuminate the analysis and the argument; and that greater impact is generally achieved by shorter rather than longer papers; and (c) outline the judicious--in contrast to the inflated--use of annexes for providing necessary background for readers who have

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0
CONFIDENTIAL

little familiarity with the subject, supporting data needed to clarify summary statements in the text, and more detailed explanation of an argument or analysis.

(3) Dissents. We believe new emphasis needs be given to the treatment of dissent. The matter concerns practice not doctrine. Whenever substantial and major differences in analytical assumptions and conclusions surface in the estimative process, there is a choice between clearly setting forth those differences or of compromising them out. Superficially, there may be a case for either method. The policy consumer may not ideally be served by the presentation of conflicting estimates. He is compelled either to pick one of the alternatives himself (for which he is not always well qualified) or to define policy in the face of estimative uncertainty. Yet it is far from clear that he is served better by a paper whose conclusions are qualified by hedging compromising differences. It is our view that the Community will discharge its responsibilities to policy consumers more effectively by estimates in which conflicting assumptions and conclusions are sharply and crisply articulated. If the best effort of the intelligence producers cannot reach agreed judgments, then that outcome has to be accepted and policy so formulated that it will take alternative outcomes into account. Any sense of professional pride and reputation which militates against the confession of estimative division should not be allowed to stand in the way.

(4) Coordination. The Panel further believes that new efforts must be made to simplify and streamline the coordination process, now probably the major cause of publication delay. In this matter, there is of course no substitute for bureaucratically-experienced and skillful NIO management of the coordination process. But some further experimentation might be undertaken along such lines as (a) inclusion of appendices prepared by the individual agencies without line-by-line critique but

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0
CONFIDENTIAL

with provision for dissent or supplementary comment; (b) reduction in the size of coordination meetings; (c) the occasional submission of NFAC assessments for Community review and comment without need for formal coordination or concurrence (appropriate notice being included in the published edition); and (d) increased reference to previously-published NFAC assessments.

h. Finally, we believe that the extent to which US policy implications are analyzed or projected in estimative intelligence should be rethought.

Discussion:

Two principles are involved: On the one hand, both statutory divisions of responsibility and custom require that an intelligence agency refrain from the appearance of favoring particular policies directly or indirectly and that intelligence production maintain reasonable distance and independence of judgment in regard to policymakers. On the other, intelligence production needs to be sensitive to policymaker requirements and aware that estimates may be unavoidably defective if they ignore US policy that significantly impacts on the major questions concerned.

These principles can readily conflict, and it is not easy to reconcile them in practice. The Panel believes, however, that many of the estimates it has reviewed have gone too far in avoiding the problem by too gingerly and incompletely analyzing the impact or the implications of US policy in given situations. Such practice may be defensive but it pays a high price in failing to serve policymaker needs. Two suggestions may deserve consideration. First, an estimate which is seriously defective because it neglects or downplays the impact of US policy or because it fails to clarify implications of those policies for US interests should be regarded as professionally unacceptable. Second, some greater involvement between NIOs and policymakers

CONFIDENTIAL
Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

at the outset of estimates might be rewarding. The policy problem will be greatly reduced if the policy consumer requests or encourages analysis of policy options or their implications. If he does not, avoidance may still be the poorer choice. Some calculated risks may have to be taken in making intelligence products as useful as possible to policymakers. There are obviously no clearcut or abstract rules to govern decisions in particular cases. But we are concerned in this instance with relevant attitudes that form part of the professional culture. And we are inclined to suspect there may be a case for some change of attitude away from excessive analytic caution and toward considered risk-taking.

CONFIDENTIAL

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

ATTACHMENT

A Possible Set of New Definitions

1. NIEs, SNIEs and IIMs are all members of the category of estimates. One estimates when one does not know; and all estimates are analytical constructs arrived at on the basis of usually inadequate information and of assumptions that govern the interpretation of this information. Since estimates are essentially inferential, and usually speculative regarding the future, and since no one inference or speculation is necessarily compelling, it is sometimes neither possible nor desirable to produce a unanimously agreed estimate. While effort should be made toward consensus, a set of alternative estimates should be presented and argued whenever irreducible uncertainties preclude agreement. Since estimates are highly sensitive to analytical assumptions about the real world with the help of which information is interpreted, it is vital that key assumptions be spelled out and, if necessary, defended in the presence of conflicting information. It is especially important that this be done in the event of estimative disagreement.

2. Given these common properties, the three art forms may be defined as follows:

a. An NIE is an estimate of a foreign situation that impinges importantly on US interests and is relevant to the formulation of important choices for foreign and national security policy, and which, in these terms, conjectures about future developments of this situation. It is normally incumbent on an estimate to illuminate how US interests are affected by the situation and how, in turn, this situation and its development may be affected by US policy. If estimative uncertainty cannot be resolved, it is also incumbent that the paper set forth alternative estimative conclusions. NIEs are in principle products of the entire Intelligence Community and are issued by the DCI with the advice of NFIB.

ALL PORTIONS ARE CLASSIFIED CONFIDENTIAL

DERIVATIVE CL BY SIGNERS
☐ DECL XX REVW ON 2 Oct 1985
DERIVED FROM

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0

b. A SNIE differs from an NIE in that it is relevant to a specific and urgent policy problem, and that it is therefore shorter, prepared more quickly and coordinated with the Intelligence Community with dispatch. It is issued by the DCI with the advice of NFIB.

c. An IIM differs from an NIE in that, although requiring the endorsement of the Intelligence Community, it is issued without NFIB concurrence, deals with policy issues of lesser significance, and may be either an assessment of some current situation or an intelligence estimate.

As indicated, the choice and application of all three art forms cannot in some important respects be determined by precise rules. This holds true especially of the choice between IIMs and NIEs (and SNIEs), and on the extent to which an estimate will engage questions of US policy. But while these choices can be settled only ad hoc, they are too important to be made casually or without review. Ultimately these are, of course, management decisions.

Declassified and Approved For Release 2013/08/22 : CIA-RDP98S00099R000400660004-0